

STATE OF NEW YORK

DEPARTMENT OF TAXATION AND FINANCE

BOARD OF CONFERENCE - CORPORATION TAX BUREAU

In the Matter of the Applications of

MCDONALD PRODUCTS CORPORATION

for revision or refund of franchise
taxes under Article 9A of the Tax Law
for the periods ended January 31,
1962 and December 31, 1962.

Hearing Case No. 3673

The taxpayer computed and paid the following taxes:

	<u>January 31, 1962</u>	<u>December 31, 1962</u>
Entire Net Income	\$140,839.19	\$152,575.06
Tax at 5½%	\$ 7,746.16	\$ 8,391.67

Timely applications for revision or refund were filed on December
11, 1964.

The applications state as follows:

"McDonald Products Corporation maintains a sales office
with several employees in Chicago, Illinois. This office was
established prior to August 31, 1960. Taxpayer inadvertently
neglected to allocate income within and without New York State. See
attached schedule for computation of refundable New York State fran-
chise tax based on allocation of income within and without New York
State."

Based on the foregoing, the taxpayer has a permanent or continuous
place of business in Chicago, Illinois, and is therefore entitled to a busi-
ness allocation.

The corrected taxes are as follows:

	<u>January 31, 1962</u>	<u>December 31, 1962</u>
Entire Net Income	\$140,839.19	\$152,575.06
Business allocation	83.0504%	83.6636%
New York Base	116,967.51	127,649.79
Tax at 5½%	6,433.21	7,020.74
Subsidiary Capital Tax	-	54.49
Total	6,433.21	8,075.23
Original Tax	7,746.16	8,391.63
Credit	\$ 1,312.95	\$ 1,316.40

Approved
James R. Macduff
2/9/65

/s/

WILLIAM F. SULLIVAN

Chairman

/s/

DONALD GILHOGLY

WFS:MB
February 4, 1965

2/8/65
Approved
Morton T. Valley

Approved
Ira J. Palestin
2/9/65